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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:) Case No. 23-30874 DM
ERICK FERNANDO CRESPO,) Chapter 11
Debtor / debtor-in-possession.)
) **STATUS CONFERENCE STATEMENT;**
) **CERTIFICATE OF SERVICE**
)
) Date: February 9, 2024
) Time: 10:00 am
) Place: **Hearing to be conducted by Tele /
) Video Conference
)
)
) **Judge: Honorable Dennis Montali**
)

**TO THE HONORABLE JUDGE DENNIS MONTALI, THE UNITED STATES
TRUSTEE'S OFFICE FOR THE NORTHERN DISTRICT OF CALIFORNIA, ALL
PARTIES IN INTEREST, AND THEIR RESPECTIVE COUNSEL(S):**

Now comes the Debtor / debtor-in-possession, ERICK FERNANDO CRESPO, by and through his counsel of record, Farsad Law Office, P.C., and hereby submits the instant Status Conference Statement for the Status Conference set for February 9, 2024, at 10:00 a.m. in this Court.

STATEMENT OF THE CASE

General Background and The Proposed Plan of Reorganization

On December 23, 2023, the Debtor filed the instant case to deal with significant debt that he personally owes after his business, Wise Choice Transportation, Inc., filed bankruptcy (Chapter 7 case # 24-40013, filed on January 4, 2024, Northern District of CA) to deal with / wind up.

The Debtor unfortunately signed personal guarantees for some of the debts owed, and so he needed to file a personal bankruptcy as well as a Chapter 7 for the Inc. The Debtor was also being personally sued by a former employee re: claimed labor law violations in the local Superior Court.

The Debtor is working on obtaining gainful regular employment (he is receiving disability payments now of approximately \$6,500.00 per month) and has family support that will be used to propose a reasonable plan of reorganization in this case.

ANTICIPATED DATE FOR FILING A PLAN AND DISCLOSURE STATEMENT

The Debtor anticipates filing a combined chapter 11 plan and disclosure statement right after the claims bar date runs on April 22, 2024 (to see what the ‘damage’ is re: the personally guaranteed debts and other debt) and will set a hearing re: tentative approval of the disclosures contained in the proposed disclosure statement right after.

STATUS OF MONTHLY OPERATING REPORTS AND DEBTOR-IN-POSSESSION ACCOUNTS

The instant case was filed on December 23, 2023 and the first monthly operating was filed on January 24, 2024 at Dkt. 34. The Debtor has obtained a Chapter 11 Estate EIN and opened the requisite DIP account.

STATEMENT REGARDING INSURANCE

The Debtor's properties are insured and evidence of insurance has been provided to the United States Trustee's Office. They are also on the Debtor's policies as "notice recipients" and proof has been provided to the US Trustee's Office.

1 **STATUS OF REQUIRED POST-PETITION PAYMENTS TO TAXING AUTHORITIES**

2 All federal and state tax returns are current.

3
4 **WHETHER THE DEBTOR HAS MET THE REQUIREMENTS FOR RETAINING
PROFESSIONALS IN THE CASE**

5 An Ex-Parte Application to Employ the FARSAD LAW OFFICE, P.C. (attorneys Arasto
6 Farsad and Nancy Weng) was filed on January 19, 2024 and an order employing the instant
7 counsel was entered by this Court on January 19, 2024. (Dkt. 25.)

8
9 **ANTICIPATED PROFESSIONAL FEES**

10 The Debtor paid the instant counsel \$15,000.00 plus the Court filing fee of \$1,738.00
11 before the case was filed. Counsel will seek to have this money paid to them via a formal
12 application for fees. The total anticipated fees in this case are around \$20,000.00. (And it may
13 possibly be done with the \$15,000.00 already paid.) The Debtor will not be seeking to hire any
14 other professionals at this time.

15
16 **WHETHER THE DEBTOR HAS MET THE REQUIREMENTS FOR USING CASH
COLLATERAL AND OBTAINING CREDIT**

17 N/A. No income / rents are being collected.

18
19 **ARE THERE ANY ORDERS IN THE CASE THAT HAVE GRANTED RELIEF FROM
THE AUTOMATIC STAY, THAT HAVE EXTENDED OR REFUSED TO EXTEND
THE AUTOMATIC STAY, OR THAT HAVE DETERMINED THAT THERE IS NO
AUTOMATIC STAY IN EFFECT AS TO ANY OR ALL CREDITORS**

20
21 None / not applicable.

22
23 **WHETHER ANY MOTIONS TO ASSUME OR REJECT EXECUTORY CONTRACTS
OR UNEXPIRED LEASES HAVE BEEN FILED OR ARE EXPECTED TO BE FILED**

24
25 None / not applicable.

1 **ATTENDANCE AT THE SECTION 341 MEETING PURSUANT TO 11 U.S.C. 341(a)**

2 The Meeting of Creditors pursuant to Section 341 was held on January 22, 2024 and
3 continued to February 5, 2024 as the Initial Debtor Interview needed to be conducted first.

4

5 **COMPLIANCE WITH UNITED STATES TRUSTEE REQUESTS**

6 The Debtor has provided the US Trustee's Office with the main requested
7 Information, and is working on some of the usual outstanding items after the Initial Debtor
8 Interview held on January 30, 2024.

9

10 **CRAMDOWNS / VALUATION OF ASSETS**

11 The Debtor filed a Motion to Value Collateral regarding the Debtor's residential real
12 property located at 127 Bridgeview Drive, San Francisco, CA 94124 on January 20, 2024. The
13 21-day notice period is still in effect. This is in regards to a junior lien with Fremont Bank that
14 was primarily secured by the Debtor's former business assets / roughly \$1,200,000.00 in trucks.

15

16 **POST-CONFIRMATION SALE OF ASSETS**

17 The Debtor does not currently anticipate the post-confirmation sale of any assets that will
18 require the Court's involvement.

19

20 **OBJECTION TO CLAIMS**

21 The Debtor does not expect or anticipate objecting to any claims at this time.

22

23 **STATUS OF ANY PENDING LITIGATION IN OR OUTSIDE OF THIS COURT**

24 The Debtor's former employee suit (a labor law based complaint entitled Norma Cristina
25 Verduzco v. Eric Crespo, et al. SF Superior Court case # CGC-21-597211) is pending and stayed
due to this filing as well as the related business Chapter 7 filing.

1
2 **ENVIRONMENTAL ISSUES**
3

4
5 The Debtor does not believe that the estate property has any environmental issues that
6 would give rise to any litigation based on either state or federal environmental laws.
7
8

9 RESPECTFULLY SUBMITTED,
10

11 Dated: January 31, 2024
12

13 FARSAD LAW OFFICE, PC.
14

15 By: */s/ Arasto Farsad*
16 ARASTO FARSAD, ESQ.
17

18 AND
19

20 By: */s/ Nancy Weng*
21 NANCY WENG, ESQ.
22

CERTIFICATE OF SERVICE

****All CM/ECF registrants including the U.S. Trustees Office****